### UNITED STATES DISTRICT COURT CENTRAL DISTRICT OF CALIFORNIA

#### **CIVIL MINUTES – GENERAL**

JS-6

Case No. SACV 12-00791-CJC(JPRx)

Date: May 18, 2012

Title: <u>GREAT AMERICAN INSURANCE COMPANY v. JESSUP ENGINEERING, INC., ET</u> AL.

PRESENT:

#### HONORABLE CORMAC J. CARNEY, UNITED STATES DISTRICT JUDGE

Michelle Urie
Deputy Clerk

N/A
Court Reporter

ATTORNEYS PRESENT FOR PLAINTIFF: ATTORNEYS PRESENT FOR DEFENDANT:

None Present None Present

## PROCEEDINGS: (IN CHAMBERS) ORDER REMANDING CASE TO STATE COURT FOR LACK OF SUBJECT MATTER JURISDICTION

Plaintiff Great American Insurance Company filed this action in Superior Court of Orange County against Defendants Jessup Engineering, Inc., Serfilco, LTD. ("Serfilco"), and McDermit on April 30, 2012. On May 16, Serfilco removed the case to this Court on the basis of diversity jurisdiction.

A district court must remand a case to state court if it appears at any time before final judgment that the district court lacks subject matter jurisdiction. 28 U.S.C. §1447(c). A federal court can assert subject matter jurisdiction where a case either raises a question under federal law or is between diverse parties and involves an amount in controversy of over \$75,000. 28 U.S.C. §§ 1331, 1332.

In its notice of removal, Serfilco asserted that there is complete diversity of the parties in a dispute of over \$75,000. However, Serfilco's notice of removal fails to demonstrate that there is complete diversity. Neither the notice of removal nor the complaint asserts that McDermit is not a citizen of California. Serfilco asserts, instead, that it is "informed and believes that [McDermit] is an improper defendant," but provides no basis for this conclusory assertion, and a review of the complaint indicates that there are claims alleged against McDermit with supporting factual allegations. Accordingly, Serfilco has failed to demonstrate that McDermit is an improper party and that there is,

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thus, complete diversity of citizenship. Accordingly, the Court must REMAND this action for lack of subject matter jurisdiction.

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